

The M organization was incorporated as a nonprofit corporation for the purposes of receiving and investing funds and property and for distributing voluntarily and gratuitously said funds and property, together with the income therefrom, solely to, or for the benefit of, dependent widows and children of policemen or firemen who lose their lives in the line of duty. The selection of recipients and the amounts distributable to them are determined in the absolute discretion of M's board of directors. The organization's sources of funds and property are derived from membership dues, contributions, and income from investments. Except for disbursements for necessary administrative expenses, such funds and property are expended solely for the purposes enumerated above. No part of the funds or property shall inure to or for the benefit of any member of M. In the event of dissolution, the funds and property shall be distributed to the City of N. Held, the M organization qualifies for exemption from Federal income tax as a charitable organization under the provisions of section 501(c)(3) of the Internal Revenue Code of 1954.